



Department of Defense INSTRUCTION

NUMBER 3201.4

October 8, 1993

DDR&E

SUBJECT: In-House Laboratory Independent Research (ILIR) and Independent
Exploratory Development (IED) Programs

References: (a) Secretary of Defense Memorandum to the Secretaries of the Military
Departments, the Director of Defense Research and Engineering, and
the Assistant Secretary of Defense (Manpower), "In-House
Laboratories," October 14, 1961

1. PURPOSE

This Instruction establishes policy, assigns responsibilities, and prescribes procedures under reference (a) for implementation of the ILIR and IED programs at the DoD Research and Development (R&D) Laboratories and/or Centers.

2. APPLICABILITY

This Instruction applies to the Office of the Secretary of Defense, the Military Departments, and the Defense Agencies (hereafter referred to collectively as "the DoD Components").

3. DEFINITIONS

3.1. Exploratory Development. Includes all effort directed toward the solution of specific military problems, short of major development projects. This type of effort may vary from fairly fundamental applied research to sophisticated breadboard hardware. It would include studies, investigations, and minor development efforts. The dominant characteristic of this category of effort is that it is pointed toward specific military problem areas with a view toward developing and evaluating the feasibility and

practicability of proposed solutions and determining their parameters. Exploratory Development precedes the system-specific research described in DoD Directive 5000.1. DoD Exploratory Development is funded by budget category 6.2.

3.2. R&D Laboratory. A facility or group of facilities owned, leased, or otherwise used by the Department of Defense, a substantial purpose of which is the performance of research, development, or engineering by employees of the Department of Defense. The term "laboratory" is used here and throughout to apply as well to Warfare Centers, Research Development and Engineering Centers, and other such entities.

3.3. Research. Includes all effort of scientific study and experimentation directed toward increasing knowledge and understanding in those fields of the physical, engineering, environmental, and life sciences related to long-term national security needs. It provides fundamental knowledge required for the solution of military problems. It forms a part of the base for:

3.3.1. Subsequent exploratory and advanced developments in Defense-related technologies.

3.3.2. New and improved military functional capabilities in areas such as communications, detection, tracking, surveillance, propulsion, mobility, guidance and control, navigation, energy conversion, materials and structures, and personnel support. DoD Research is funded by budget category 6.1.

4. POLICY

It is DoD policy that:

4.1. Each DoD Component that operates an R&D Laboratory or Center, shall support an ILIR program. In addition, each DoD Component may support an IED program.

4.2. The technical director and/or commanding officer (TD/CO) of each participating R&D laboratory and/or center shall be provided with ILIR and IED funds to initiate and support efforts judged to be important or promising in the accomplishment of missions assigned to that laboratory and/or center.

4.3. Each R&D laboratory and/or center TD/CO shall be given wide latitude in the use of ILIR and IED funds subject to the approval of overall funding levels, to enable performance of innovative, timely, and promising work without requiring formal and prior approval that might delay normal funding authorization.

4.4. ILIR funds shall be used to support basic research (6.1) efforts and IED funds (if available) shall be used to support exploratory development (6.2) efforts. These programs shall have as their primary goals the performance of highest quality research and exploratory development in support of laboratory missions, and enhancement of factors that contribute to recruitment and retention of outstanding scientists and engineers. This is considered an in-house effort to be administered as outlined in subparagraph 6.2.2. of this Instruction.

5. RESPONSIBILITIES

5.1. The Director of Defense Research and Engineering shall be responsible to the Secretary of Defense for the direction, execution, and review of the ILIR and IED programs of the DoD Components. This responsibility normally will be delegated to the Heads of the DoD Components who may further re-delegate, as appropriate.

5.2. The Head of each DoD Component shall:

5.2.1. Establish its own policy for the programs within the bounds of DoD policy stated in section 4.

5.2.2. Decide which laboratories and/or centers are to participate in the program and so inform the Director of Defense Research and Engineering (DDR&E).

5.2.3. Allocate funds to participating laboratories and/or centers from relevant program elements.

5.2.4. Establish annual program review and annual laboratory and/or center reporting procedures in an after-the-fact manner.

5.2.5. Establish criteria for measuring or evaluating the results of the ILIR and IED programs during annual program reviews.

5.2.6. Invite the DDR&E to participate in the annual reviews.

5.2.7. Provide an annual report of the program to the DDR&E.

5.2.8. Ensure that the TD/CO of each laboratory and/or center shall:

5.2.8.1. Review all qualified proposals for funding under the ILIR and IED programs.

5.2.8.2. Review the results of each funded task.

5.2.8.3. Make an annual presentation to the Head of the appropriate Department (or designee).

5.2.8.4. Ensure that work unit summaries are submitted to the Defense Technical Information Center.

6. PROCEDURES

6.1. The Head of each DoD Component shall ensure that:

6.1.1. Sufficient funds are budgeted to support the ILIR and, at his or her discretion, the IED.

6.1.2. All funds appropriated by the Congress for ILIR and IED program elements shall be made available at performing laboratory/centers for those purposes and shall not be used to support any other programs.

6.1.3. Those funds shall not be subject to reallocation for other purposes by any command levels intervening between the DoD Component Head and the performing laboratory and/or centers. Furthermore, those command levels shall not task the laboratory TD/CO to perform specific work with these funds.

6.2. ILIR and IED funds shall be identified as separate program elements (line items) in the budget.

6.2.1. Recommended target ceiling funding for the ILIR and IED programs is 5 percent of the total 6.1 budget of each DoD Component.

6.2.2. ILIR and IED funds will not be used to make up deficiencies in other assigned programs.

6.2.3. ILIR and IED funds are intended for in-house efforts and should not be used for outside contracts. Exceptions are to be of modest magnitude and of exceptional content. Moreover, they must be specifically justified in terms of exceptional content, or as being in direct support of primary in-house ILIR and IED projects, and must satisfy the criterion of enhancing the factors that contribute to the recruitment and retention of outstanding scientists and engineers by the laboratory.

6.2.4. ILIR and IED funds should not be used to purchase equipment unless such action is in direct support of active current ILIR and/or IED programs. As target ceiling the purchases should not exceed 30 percent of the program funding.


6.2.5. If a task begun under ILIR or IED funding leads to continued efforts, it should be transferred to the regular RDT&E-sponsored program at the appropriate time and supported through the normal budget process. Normally no task should be supported by ILIR or IED funds for more than a 3-year period.

7. INFORMATION REQUIREMENTS

The annual reporting requirement contained in this Instruction has been assigned Report Control Symbol DD-ACQ(A)1931.

8. EFFECTIVE DATE

This Instruction is effective immediately. Forward two copies of implementing documents to the Director, Defense Research and Engineering within 120 days.



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